

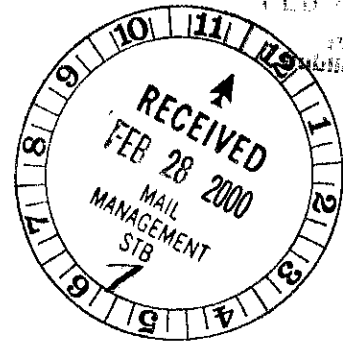
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February 25, 2000

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Office of the Secretary
Case Control Unit
Attn: STB Ex Parte No. 582
1925 K Street, N.W.
Washington, D.C. 20423-0001



Dear Sir:

Pioneer Americas Inc. is a major chloralkali producer in North America with producing plants in St-Gabriel, LA, Henderson, Nevada, Tacoma Washington, Becancour Quebec, Dalhousie New Brunswick and Cornwall Ontario.

We move in excess of 18,000 carloads per year of our products and are a major user of the rail service in the US and Canada. The purpose of this letter is to comment on the issues to be discussed on March 8th, 2000 in Ex Parte 582.

We encourage the Surface Transportation Board to focus on whether the proposed CN-BNSF combination is good for shippers, not on potential downstream effects.

The CN-BNSF combination should be judged on its merits and if other carriers propose mergers, then these cases should be evaluated on their own merits. The timing of the proposed CN-BNSF combination is not the central issue for our company. Our concern is service and cost. Recent mergers (UP/SP) or demergers (Conrail) have failed on service and have caused nightmares for shippers but not because of timing. Accordingly, the Surface Transportation Board should focus on ensuring that CN-BNSF combination and any other future merger will deliver on service improvement and efficiencies which will result in better transit times and lower rates. Pioneer will decide whether or not to support this merger at the appropriate time. Pioneer did support the CN/IC merger and was very pleased in terms of the service improvement from this end to end merger.

If the Surface Transportation Board would access restriction to this merger such as open access or open gateways then these same restriction should apply for all railroad companies and not only to the CN-BNSF.

The Surface Transportation Board has a comprehensive process to evaluate railroad transactions and protect the public interest. It should fairly evaluate the CN-BNSF combination or any other merger according to that process. Do not let other railroads use the Surface Transportation Board process to protect themselves and not shippers.

Sincerely,

A handwritten signature in cursive script, appearing to read "Roger A. Zampini".
Roger A. Zampini
Vice President, Logistics & Product Management

Pioneer Americas, Inc.